

Insuring your Shed

Securing the right level of insurance is one of the most important first steps when setting up your Men's Shed. Even if you don't yet have a building or the building isn't yours, you'll need to get some level of insurance, and once you have that policy, make sure you set a reminder to renew.

Some of the most common questions asked of UK Men's Sheds Association are about insurance. What type of insurance do I need? How do I find the right insurer? What on earth is Trustee Indemnity insurance?

This guide gives you a breakdown of a range of insurance products that you may need to consider for your Shed.

What kind of insurance do we need?

This depends on your Shed and the activities of your Shedders. Here is a short summary of the most common insurance products that may be relevant to your Shed. The information is not exhaustive and does not constitute legal advice, it is given as a general guide only. The guidance for each insurance product is given as a guide, however, not every insurer offers exactly the same cover for each product. You should discuss your specific needs with your insurer to ensure you obtain the right cover.

Public Liability

For damages and costs in relation to accidental injury to persons, accidental damage to property or accidental nuisance occurring in connection with the business of the insured as well as legal costs incurred.

Consider if: Your group has started meeting and carrying out activities together and/or for the community. Every Shed should have this insurance product. The level of cover will depend on your activities, but at least £5,000,000 is normal.

Property Damage

Accidental damage and/or theft of assets such as buildings and contents. Volunteer possessions are sometimes covered with this product.

Consider if: You have premises and/or property belonging to the Shed.

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Product Liability

Protects against claims for personal injury or property damage caused by a product your organisation designed, made, sold or supplied. It can cover legal fees and compensation costs if someone sues you.

Consider if: You make and sell products to raise income, or make products for individuals, charities or community groups.

Employer's Liability Insurance

Covers organisations if they are held legally liable for injury to an employee. It is a legal requirement to have this insurance product if you employ any staff. For organisations who mainly use volunteers, it's still important to have employers liability insurance, as there is the same duty of care to protect volunteers as there is staff.

Consider if: Your Shed employs paid workers or has a team of volunteers carrying out specific duties.

Trustee Indemnity Insurance

Broadly speaking, it protects Trustees from personal liability arising from claims of mismanagement and (in many cases) protects the organisation from the cost of legal claims against it due to mismanagement by a Trustee. The true scope of the cover depends on the provider, so it is always worth checking.

This insurance does not cover claims for personal injury to the public or a volunteer as many think. Rather, it provides cover for financial losses sustained as a result of a claim of a wrongful act by a trustee. The type of things it can cover are claims of defamation or libel from another organisation, or legal investigations for non-compliance of a Trustee, carried out by the Charity Commission.

This particular product causes a lot of confusion for a number of reasons and many don't know what it actually covers, and importantly, what it won't cover. We have therefore developed a more in-depth guide which can be found in our [Resource Library](#).

Consider if: You believe your charity assets and/or trustees' personal assets are at risk by a potential claim of a wrongful act of a trustee.

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How do we find the best insurer?

The best insurer is one that understands the type of activity you are doing and the level of risk associated with it. Sheds will fall foul of cheap policies for community groups if ever anything happens and the insurer wasn't aware of the risk. UK Men's Sheds Association have information on recommended insurance providers. They are chosen because they understand what Sheds do and apply insurance cover accordingly. To receive details on the current recommended providers, email admin@ukmsa.org.uk.

How do we get the best insurance premium?

Avoid the temptation to search around for a cheap premium at the expense of it not covering your needs, or the insurer not understanding your activities. When you speak to an insurer to arrange your premium, go into full detail about your activities and ask for an example of the policy. Look through it to make sure there aren't any clauses that would affect your activities e.g. limiting power tool use to 20% of the time spent in the Shed. This is a real example that at least one Shed in the UK had and didn't realise. This could cause you devastating issues if you ever came to claim and weren't abiding by that clause.

Finally, the more you prioritise good risk management and mitigation in your Shed, and the more robust your Shed's health and safety procedures, the more likely it is that you will get a great deal on the right insurance.

Never try to cut corners to save money. If you can't afford the right insurance for your activities with all of the necessary safety measures in place, then you'll need to suspend those particular activities until you can.